

RESOLUTION NO. 98-43

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE WHITE SLOUGH WATER POLLUTION
CONTROL FACILITY AGRICULTURAL LEASES

WHEREAS, the City of Lodi has three parcels located at the White Slough Water Pollution Control Facility that are leased for agricultural purposes; and

WHEREAS, on January 7, 1998 the City Council authorized the City Clerk to invite proposals for 5-year leases on the three parcels; and

WHEREAS, the proposals received are listed as follows:

LESSEE	ACREAGE	\$ACRE/YEAR	ANNUAL REVENUE	5-YEAR REVENUE
Parcel 1				
Bechthold-Kirschenman Farms	389	\$181.00	\$70,409	\$352,340
John Viera	389	\$100.00	\$38,900	\$194,500
Note: Rent received for Parcel 1 is less than the other parcels due to the quality of soils in the area, periodic flooding of some portions, and high groundwater levels. Parcel 1 lease includes a six-month cancellation clause.				
LESSEE	ACREAGE	\$ACRE/YEAR	ANNUAL REVENUE	2-YEAR REVENUE
Parcel 2 Prior to Irrigation Improvements 1999 – 2000				
Bechthold-Kirschenman Farms	270	\$171.00	\$46,170	\$ 92,340
Kaehler Dairy Farms	270	\$150.00	\$40,500	\$ 81,000
John Viera	270	\$100.00	\$27,000	\$ 54,000
Note: Parcel 2 lease includes a six-month cancellation clause plus a provision that prior to January 1, 1999, the lease can be canceled without advance notice.				
LESSEE	ACREAGE	\$ACRE/YEAR	ANNUAL REVENUE	3-YEAR REVENUE
Parcel 2 Following Irrigation Improvements 2001-2003				
Bechthold-Kirschenman Farms	270	\$226.00	\$61,020	\$183,000
Kaehler Dairy Farms	270	\$150.00	\$40,500	\$121,500
John Viera	270	\$100.00	\$27,000	\$ 81,000
Note: Parcel 2 lease includes a six-month cancellation.				
LESSEE	ACREAGE	\$ACRE/YEAR	ANNUAL REVENUE	5-YEAR REVENUE
Parcel 3				
Lima Ranch	218	\$226.00	\$49,268	\$246,340
John Viera	218	\$100.00	\$21,800	\$109,000
Note: Parcel 3 lease includes a six-month cancellation clause.				

NOW, THEREFORE, BE IT RESOLVED, that the Lodi City Council does hereby award the agricultural land leases at the White Slough Water Pollution Control Facility as shown below, effective January 1, 1999 and terminating December 31, 2003:

Parcel 1	Bechthold-Kirschenman Farms	389-acre lease*
Parcel 2	Bechthold-Kirschenman Farms	270-acre lease
Parcel 3	Lima Ranch	218-acre lease

*A recent review of acreage shows this amount may be off approximately 30 acres. Parcel 1 is to be surveyed and the high bidder has stated he will accept an adjustment of the lease amount pending the results.

Dated: March 18, 1998

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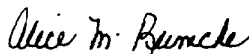
I hereby certify that Resolution No. 98-43 was passed and adopted by the City Council of the City of Lodi in a regular meeting held March 18, 1998, by the following vote:

AYES: COUNCIL MEMBERS - Johnson, Land, Mann, Pennino and
Sieglock (Mayor)

NOES: COUNCIL MEMBERS - None

ABSENT: COUNCIL MEMBERS - None

ABSTAIN: COUNCIL MEMBERS - None


ALICE M. REIMCHE
City Clerk